

**MONTANA**  
EXT-06  
Worksheet  
Rev. 10-06

For the calendar year 2006 or the fiscal year beginning \_\_\_\_ / 2006.  
Do not mail this worksheet in with your check and payment coupon.

Last name	First name and middle initial	Social Security No.
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1. Enter 100% of your 2005 tax liability, as reported on line 57 of your 2005 Form 2, or on line 19 of your 2005 Form 2S.....	1.		
2. Enter your total tax liability for 2006 as entered on line 59, Form 2, line 47, Form 2M, or line 16 of Form 2EZ (if unable to calculate 2006 tax, enter amount from line 1 above on line 4, then go to line 5). .....	2.		
3. Enter 90% of line 2. ....	3.		
4. Enter the smaller of line 1 or line 3. ....	4.		
5. Enter your 2006 Montana income tax withheld. ....	5.		
6. Enter your overpayment from 2005 (if any) and your estimated tax payments that were credited to your 2006 estimated tax account. ....	6.		
7. Enter your 2006 Elderly Homeowner/Renter Credit (Form 2EC). ....	7.		
8. Add lines 5, 6, and 7 and enter the result. <b>This is your total tax credit.</b> .....	8.		
9. Subtract line 8 from line 4 - If line 8 is greater than line 4, enter zero. If line 8 is less than line 4, you owe this amount on or before April 16, 2007. Enter it here. ....	9.		
If you have more than \$1 on line 9, complete the payment coupon below and mail with your payment to:			

**When you file your Montana income tax return electronically, you represent that you have retained all documents required as a tax record and that you will provide a copy to the department upon request.**

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## **General Instructions**

### **How can I get an extension of time to file my Montana income tax return?**

You can be granted an extension of time for filing your Montana income tax return if you meet BOTH of the following requirements:

1. By April 16, 2007, you have applied to the Internal Revenue Service by filing federal Form 4868 for an automatic six-month extension to file your federal income tax return, and
2. You have paid 90% of your 2006 Montana income tax liability or 100% of your 2005 Montana income tax liability through your estimated tax payments, your withholding tax, or a combination of both your estimated and withholding tax payments.

Even though you have applied for an automatic six-month federal extension, this does not guarantee that you have a Montana extension unless you have met one of the requirements listed in number 2 above on or before April 16, 2007. If you do not meet one of the requirements in number 2 above you do not have a valid Montana extension.

In order to further complete your Montana extension, you have to check the extension indicator box on the bottom right hand corner of Montana Form 2, 2M or 2EZ and attach a copy of your federal Form 4868 "Application for Automatic Extension of Time to File U.S. Individual Income Tax Return" to your Montana income tax return. Do not send us a copy of your federal Form 4868 prior to filing your Montana income tax return.

### **I have a valid Montana extension but did not pay my entire 2006 income tax liability by April 16, 2007. Am I subject to penalties and interest on my payment?**

Yes you are. First of all, it should be clear that any extension of time to file your Montana income tax return is NOT an extension of time to pay your income tax liability. If you have a valid Montana extension but you have not paid your entire 2006 income tax liability by April 16, 2007, you are relieved of late file penalties but you are not relieved of late pay penalties and interest on your outstanding Montana income tax liability.

If you do not pay the full amount of your 2006 income tax liability by April 16, 2007, you will be charged a late payment penalty. This penalty is 1.5% per month or fraction of a calendar month on the unpaid tax. This penalty cannot exceed 18% of your tax due.

If you do not pay your tax liability by April 16, 2007, you will be charged interest at a rate of 8% per year accruing daily beginning on the due date of your return and continuing until your tax is paid.

### **How can I make an extension payment?**

You will need to complete this form to determine the amount of your extension payment. Complete the payment coupon and mail with your payment by April 16, 2007.

If you are a fiscal year taxpayer, your payment is due on or before the 15<sup>th</sup> day of the fourth month after the close of your tax year.